

18 May 2020

ANANDA DEVELOPMENTS PLC
("Ananda" or the "Company")

UPDATE ON MEDICINAL CANNABIS GROWING LICENCE

The Directors of Ananda Developments Plc provide the following update to shareholders.

MHRA Meeting

As part of the application to grow medicinal cannabis in the UK, a meeting was held last week between DJT Plants Limited ("DJT"), which is 50% owned by Ananda, and the MHRA (Medicines and Healthcare products Regulatory Agency). The MHRA is responsible for ensuring medicines and medical devices are safe. Its oversight of DJT's work will start when DJT is planning the growing and harvesting of medicinal cannabis under Good Agricultural and Collection Practices (GACP) and supply under Good Manufacturing Practices (GMP). The MHRA will be responsible for the providing certification of GMP. At the meeting, the team from DJT discussed its plans to grow and stabilise strains of cannabis which are being used in the treatment of medical conditions including Parkinsons' disease, epilepsy and inflammatory diseases, amongst others. DJT is grateful for the feedback and advice given at this meeting.

DJT's ultimate objective is to be a commercial grower of medicinal cannabis for the UK and international markets. As identified by Professor Mike Barnes, a senior figure in the medicinal cannabis sector, a UK medicinal cannabis industry is very much needed to meet growing patient demand in this country in a cost effective and timely fashion.

The meeting with the MHRA is an important progression in DJT's licence application, which the Directors believe reflects its credibility as an applicant.

Next Steps

The next stage is further engagement with the Home Office to review the security and other aspects of the medicinal cannabis growing plans.

Ananda's Medicinal Cannabis Growing Plans

DJT has made an application to grow >0.2% THC cannabis in Lincolnshire. Its partner is the JEPCO Group, comprised of JEPCO Limited and Anglia Salads Limited ("JEPCO"). DJT's proposal is to commence growing up to 1,105 cannabis plants in Lincolnshire, and to ultimately increase to growing on an area up to 30 hectares (accommodating approximately 300,000 cannabis plants). The practical growing will be undertaken by JEPCO, which has previously grown medical cannabis in the UK for a large pharmaceutical company.

The initial objective is to stabilise 65 strains of cannabis to have low variability and high predictability, in collaboration with Dr Dedi Meiri's laboratory in Israel, which it is hoped may be useful to treat a range of conditions such as Parkinson's Disease, epilepsy and neuropathic pain. As announced on 27 April 2020, Dr Meiri has commenced a new project to assess the potential of the anti inflammatory properties of cannabis for treating coronaviruses, and Ananda's plans are being broadened to stabilise strains of cannabis which may have applicability for the treatment of hyperinflammation caused by coronaviruses. These strains would also be analysed at Dr Meiri's laboratory. The Directors believe that Dr Meiri is one of the world's foremost researchers in medical cannabis, with one of the most sophisticated cannabis analytical laboratories in the world.

Ananda's objective is to convert the genetic stabilisation growing to commercial growing, when demand builds in the UK medical cannabis industry and when the regulatory and legal framework allows.

JEPCO has successfully grown medical cannabis in the UK to very high standards, (for the pharmaceutical industry) and at low cost. The Directors believe a UK source of medical cannabis will be well received, especially given the possibility of global supply chains continuing to break down.

DJT Plants Limited is a wholly owned subsidiary of DJT Group Limited, which is 50% owned by Tiamat Agriculture Limited, which is a 100% subsidiary of Ananda Developments Plc.

-Ends-

The Directors of the Company accept responsibility for the contents of this announcement.

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Market Abuse Regulation (MAR) Disclosure

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.